





City of Loma Linda Official Report

Floyd Petersen, Mayor
Karen Hansberger, Mayor pro tempore
Robert Christman, Councilmember
Stan Brauer, Councilmember
Robert Ziprick, Councilmember

COUNCIL AGENDA: October 14, 2003

TO: City Council

VIA: Dennis R. Halloway, City Manager 

FROM: Barbara Nicholson, Personnel Assistant/Assistant to the City Clerk 

SUBJECT: Council Bill #R-2003- 47 – Fixing the Employer's Contribution Under the Meyers-Geddes State Employee's Medical Hospital Care Act and Repealing Resolution 1721

RECOMMENDATION

Adopt Council Bill #R-2003-47.

BACKGROUND

Pursuant to Government Code Section 22825, CalPERS has required a minimum \$16 monthly contribution from member agencies toward a retiree's health insurance premium. Resolution No. 1721 fixed the City of Loma Linda's contribution at that minimum \$16. Government Code Section 22825 was amended to increase that minimum amount by the following:

during calendar year 2004, \$32.20;
during calendar year 2005, \$48.40;
during calendar year 2006, \$64.60;
during calendar year 2007, \$80.80;
during calendar year 2008, \$97.00;
and commencing January 1, 2009, the employer's contribution shall be adjusted annually by the board to reflect any change in the medical care component of the Consumer Price Index.

Council Bill #R-2003- 47 brings the City of Loma Linda into compliance with the Government Code amendment.

FINANCIAL IMPACT

The City of Loma Linda currently pays \$75 per month towards a retiree's health insurance premium for employees retiring with 10 or more years of service with the City. The City currently has 2 retirees meeting this criterion. The City currently has 7 retirees with less than 10 years of service for whom the minimum \$16 per month has been paid. Our costs for the first group of retirees will not increase until calendar year 2007, while the cost for the second group of retirees will increase beginning calendar year 2004. This increase has been factored into our current fiscal year budget.

RESOLUTION NO.

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LOMA LINDA, CALIFORNIA, FIXING THE EMPLOYER'S CONTRIBUTION UNDER THE MEYERS-GEDDES STATE EMPLOYEE'S MEDICAL HOSPITAL CARE ACT AND REPEALING RESOLUTION NO. 1721

WHEREAS, Government Code Section 22825 provides that a local agency contracting under the Meyers-Geddes State Employee's Medical and Hospital Care Act shall fix the amount of the employer's contribution at an amount not less than the amount required under Section 22825 of the Act; and

WHEREAS, the City of Loma Linda is a local agency contracting under the Act;

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Loma Linda that the employer's contribution for each employee or annuitant shall be the amount necessary to pay the cost of his enrollment, including the enrollment of his family members, in a health benefit plan or plans, in an amount not to exceed the following schedule:

During calendar year 2004, \$32.20;	During calendar year 2007, \$80.80
During calendar year 2005, \$48.40;	During calendar year 2008, \$97.00
During calendar year 2006, \$64.60	

Commencing January 1, 2009, the employer's contribution shall be adjusted annually by the board to reflect any change in the medical care component of the Consumer Price Index.

BE IT FURTHER RESOLVED that Resolution No. 1721 is hereby repealed.

APPROVED, PASSED AND ADOPTED this 14th day of October 2003 by the following vote:

Ayes:
Noes:
Abstain:
Absent:

Floyd Petersen, Mayor

ATTEST:

Pamela Byrnes-O'Camb, City Clerk